

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

Power House Tool, Inc.,)	
an Illinois Corporation,)	
)	
And)	No. 08 CV 3611
)	
JNT Technical Services, Inc.)	Judge Manning
a New Jersey Corporation,)	Magistrate Judge Soat Brown
)	
)	
Plaintiffs/Counterclaim Defendants,)	
)	
v.)	
)	
Thermal Technologies, Inc.,)	
an Oklahoma Corporation,)	
)	
And)	
)	
Xtreme Bolting Services, Inc.,)	
an Oklahoma Corporation,)	
)	
)	
Defendants/Counterclaim Plaintiffs.)	
)	

JOINT INITIAL STATUS REPORT

Plaintiffs/Counterclaim Defendants, Power House Tool, Inc. (POWER HOUSE TOOL), and JNT Technical Services, Inc. (JNT), and Defendants/Counterclaim Plaintiffs, Thermal Technologies, Inc. (THERMAL TECHNOLOGIES), and Xtreme Bolting Services, Inc. (XTREME BOLTING), hereby provide their Joint Initial Status Report pursuant to Magistrate Judge Soat Brown's standing Order For Initial Status Report.

1. Brief Summary of the Claims

POWER HOUSE TOOL is an Illinois Corporation with a principal place of business in this district. JNT is a New Jersey Corporation that does business in this district. POWER

HOUSE TOOL and JNT, Plaintiffs/Counterclaim Defendants are the joint owners of U.S. Patent No. 7,141,766 (the '766 Patent), which they assert has been infringed by THERMAL TECHNOLOGIES and XTREME BOLTING, Defendants/Counterclaim Plaintiffs. POWER HOUSE TOOL and JNT have also asserted claims of false advertising under 15 USC § 1125(a) and unfair competition under Illinois law. THERMAL TECHNOLOGIES, an Oklahoma Corporation, and XTREME BOLTING, an Oklahoma Corporation, are doing business in Illinois, and in this district, thereby providing the Court with personal jurisdiction, and rendering venue proper in this district under 28 USC §§ 1391 and 1400(b).

THERMAL TECHNOLOGIES and XTREME BOLTING have respectively plead a number of affirmative defenses and respectively filed counterclaims against POWER HOUSE TOOL and JNT seeking Declaratory Judgment of Invalidity under 35 USC §§ 102, 103 and/or 112 and Non-Infringement of the '766 Patent, along with a counterclaim for Attorney Fees under 35 USC § 285 and 15 USC § 1117. There is an actual controversy between Defendants/Counterclaim Plaintiffs and Plaintiffs/Counterclaim Defendants in that POWER HOUSE TOOL and JNT threatened and then filed this lawsuit alleging that XTREME BOLTING and THERMAL TECHNOLOGIES infringe the '766 Patent. By filing the present lawsuit, POWER HOUSE TOOL and JNT consent to the jurisdiction and venue of this Court.

2. Brief Statement of the Relief Sought

Plaintiffs/Counterclaim Defendants are seeking injunctive relief against alleged patent infringement, false advertising and unfair competition practices, as well as monetary damages for alleged patent infringement, false advertising by Defendants/Counterclaim Plaintiffs due to Defendants/Counterclaim Plaintiffs alleged unfair competition. These damages have not yet

been computed, and will require discovery of the Defendants/Counterclaim Plaintiffs in order to make such computations. Plaintiffs/Counterclaim Defendants are also seeking enhanced damages due to alleged willful infringement of the '766 patent (35 USC § 285) and enhanced damages for alleged false advertising (15 USC § 1117), pre-and post-judgment interest, as well as attorneys fees and costs pursuant to 35 USC § 285 and 15 USC § 1117. Plaintiffs/Counterclaim Defendants are also seeking the assessment of a fine against Defendants/Counterclaim Plaintiffs alleged violation of 35 USC § 292 (false marking) and other and further relief as appropriate.

Defendants/Counterclaim Plaintiffs are counterclaiming for declaratory judgment relief against Plaintiffs/Counterclaim Defendants for alleged invalidity (35 USC § 102, 103, 112) and non-infringement of the '766 Patent. Defendants/Counterclaim Plaintiffs are also seeking attorneys fees and costs pursuant to 35 USC § 285 and 15 USC § 1117.

3. Matter referred to the Magistrate Judge

Judge Manning has referred this case to Magistrate Judge Soat Brown for discovery supervision, settlement conference and to perform such additional duties as are not inconsistent with the Constitution and laws of the United States, namely, all nondispositive pretrial motions.

4. Status of any briefing on the matters referred

No briefing is necessary at this time.

5. Description of Discovery Completed and Contemplated

(a) No depositions have been taken yet.

(b) No depositions have been scheduled yet.

(c) Written and oral discovery is anticipated by all parties.

6. Consent to Proceed Before a Magistrate Judge

The parties have not yet determined whether they will consent to proceed before the Magistrate Judge.

7. Discovery deadlines

Judge Manning has not yet set any dates or deadlines for discovery cut-off, submission of pretrial order or trial. A first status hearing is set for November 6, 2008.

Outline of the proposed scheduling order required by Fed. R. Civ. P. 16(b).

Due date for Rule 26(a) disclosures: September 19, 2008.

Deadline for joining parties: November 7, 2008.

Deadline for amending pleadings: November 7, 2008.

Deadline for filing dispositive motions: June 30, 2009.

Deadline for close of discovery: May 29, 2009.

8. Settlement Status

No settlement discussions have been held.

Dated: September , 2008

APPROVED BY:

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Certificate of Service

I hereby certify pursuant to Local Rule 5.2(b) that this document(s) filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF), including Nicholas J. Nesgos and Gary Smith of Posternak Blankstein & Lund LLP, attorneys of record for the Plaintiff, and paper copies will be sent to those indicated as non registered participants on September 2, 2008.

 /s/ Kevin W. Guynn